

REVISED ANALYSIS

Franchise Tax Board

Author: Poochigian Analyst: LuAnna Hass Bill Number: SB 448
Related Bills: See Legislative History Telephone: 845-7478 Original Analysis Date Feb. 20, 2003
Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: FTB Include Voter Registration Card With Mailing Of Annual Tax Forms

- ____ REVENUE ESTIMATE CHANGED.
____ FURTHER CONCERNS IDENTIFIED.
____ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 20, 2003,
X STILL APPLIES.
X OTHER - See comments below.

SUMMARY OF BILL

This bill would require the Franchise Tax Board (FTB) to include a voter registration card with the Personal Income Tax (PIT) forms that are mailed annually to taxpayers.

SUMMARY OF REVISION

The fiscal impact contained in the department's analysis of the bill as introduced February 20, 2003, is being revised to reflect the department's preliminary costing of the impact of this bill.

For convenience, the existing implementation concern is provided below. Except for the fiscal impact change in this analysis, the remainder of the department's analysis of the bill as introduced February 20, 2003, still applies.

POSITION

Pending.

IMPLEMENTATION CONSIDERATION

This bill would require FTB to include a voter registration card in the PIT booklet, but does not specify the origin of the registration card. The department currently provides an SOS approved paragraph regarding voter registration information on the "Additional Information" page of the 2002 PIT booklet. To ensure the correct information is included on the voter registration card, department staff suggests amending the bill to require SOS to provide the approved voter registration card to the Office of State Printing for inclusion in the binding of the PIT booklets.

Board Position:

____ S ____ NA ____ NP
____ SA ____ O ____ NAR
____ N ____ OUA X PENDING

Legislative Director

Date

Jana Howard for Brian Putler 7/7/03

FISCAL IMPACT

The department's costs to administer this bill cannot be determined until the implementation concern has been resolved. However, assuming FTB would be required to provide the existing voter registration cards issued by the Secretary of State (SOS) to the Office of State Printing for inclusion into the binding of the PIT booklets, the costs to implement this bill would be approximately \$198,000 for the cards to be bound into approximately 3.3 million PIT booklets. The cost is equivalent to approximately \$.06 per card. Department costs could increase significantly if FTB were required to create, print, and bind the voter registration cards into the PIT booklets. The department would not incur any costs if SOS were responsible for providing the voter registration card to the Office of State Printing for inclusion into the binding of the PIT booklets.

This bill does not include a provision to cover FTB's costs. To ensure the department has the funding to implement this bill, the department would suggest the author add appropriation language to this bill that would cover the costs of implementation. Department staff suggests appropriation language that would provide FTB \$198,000 for the 2003/2004 fiscal year to allow FTB to insert the voter registration cards into the 2004 PIT booklets. The department is currently working on deficiency requests for the 2003/2004 fiscal year. However, absent an appropriation or Department of Finance approval of a deficiency request for the 2003/2004 fiscal year, it is unclear how FTB would pay for the additional costs it would incur to bind the voter registration cards into the PIT booklets.

LEGISLATIVE STAFF CONTACT

LuAnna Hass
Franchise Tax Board
845-7478
LuAnna.Hass@ftb.ca.gov

Brian Putler
Franchise Tax Board
845-6333
Brian.Putler@ftb.ca.gov